

unique screening codes for payphones has been heightened as a result of the Commission's orders in Docket No. 96-128. The Commission's Order on Reconsideration in the payphone docket confirms that PSPs must ensure transmission of codes that enable IXCs to track calls. Accordingly, LECs are required to provide services "that provide a discrete code to identify payphones that are maintained by non-LEC providers." Reconsideration Order at ¶94.

Having a unique screening code automatically transmitted to the IXC provides Bell company payphones with a tremendous advantage in the collection of per-call payphone compensation. With a unique screening code, the IXC knows immediately that a call is compensable, and should not have to take any further steps in order to calculate the compensation due for each particular ANI invoiced by an IPP provider. If no unique screening code is transmitted, by contrast, the IXC must check some reliable data base in order to confirm whether the call is from a payphone and therefore, compensable under the Payphone Order. APCC's experience with the data base currently used to administer flat-rate compensation is that the data base information is frequently unreliable and imposes substantial delays and costs in collecting compensation. Frequently, compensation for a given period is never collected on certain payphones because of the difficulties of securing LEC verification. Transmitting a unique screening code for COCOT lines as well as coin lines evidently would make it unnecessary for PSPs to have their collection of compensation continually delayed or denied due to the highly error-prone LEC verification data base currently in use.



Therefore, if Pactel transmits a unique code on all coin lines while transmitting a non-unique code on COCOT lines, Pactel discriminates heavily in favor of its payphone division, providing it with a great advantage in the collection of per-call compensation from IXC's.

Accordingly, the Commission should require Pactel to clarify whether it will provide PSPs using COCOT lines with a screening code that uniquely identifies their lines as payphone lines. If Pactel does not propose to offer a unique code with COCOT lines, it must be required to do so, either by providing Flex ANI<sup>19</sup> automatically to all IXC's or by recognizing existing screening codes to eliminate any ambiguity as to whether or not the line terminates in a payphone.

#### **IV. OPERATOR SERVICES**

Pactel's CEI plan does not address the intraLATA operator services offered with its public payphones. Pactel should be required to specify whether it considers operator services to be part of its deregulated payphone service or whether it considers operator services to be a separable service that is not "ancillary" to its public payphone service.

If operator services are part of Pactel's deregulated public payphone service, Pactel should explain whether it is providing such services (1) in the payphone or (2) by

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<sup>19</sup> Ameritech has indicated that it has implemented the Commission's OLS requirement in most of its central offices by offering "Flex ANI," a service that permits the transmission of a "70" code that uniquely identifies COCOT lines to those IXC's subscribing to Flex ANI. However, unless IXC's are required to subscribe to codes like the Flex ANI code in all areas, Pactel must be required to reconfigure the existing codes, that are universally available with access services to which IXC's do subscribe, so that a unique code is available for COCOT lines as well as coin lines.



reselling network-based operator functions. Further, Pactel should be required to identify the network functions supporting such services and to indicate how those same functions will be offered to PSPs on a nondiscriminatory basis.

If operator services are a separable regulated service that is not "ancillary" to Pactel's deregulated payphone service, Pactel still must demonstrate that it is not subsidizing its payphone operations or discriminating between its payphone operations and other PSPs in the provision of such services. For example, if Pactel is offering a commission to its payphone operations for presubscribing its payphones to Pactel's operator service, then at a minimum, such commissions must also be available to independent PSPs on the same terms and conditions.<sup>20</sup> At a minimum, Pactel must submit a copy of its presubscription contract with its payphone operations and to state that it will offer the same terms and conditions to other IPP providers.

## V. CPNI AND SEMI-PUBLIC SERVICE CUSTOMERS

Regarding customer proprietary network information ("CPNI"), Pactel indicates that it will follow Computer III procedures except where inconsistent with the requirements of Section 222 of the Act and pending the outcome of the FCC's CPNI proceeding. Pactel CEI Plan at 14. This approach leaves several questions unanswered

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<sup>20</sup> However, since Pactel is not using an affiliate for its provision of payphone service, it is questionable whether the Commission's accounting rules allow Pactel to pay itself a commission for presubscribing its payphones to Pactel's operator services. Such a transfer of regulated revenues out of regulation may be permissible under the Commission's affiliate transactions rules. However, there is no express permission for such treatment under the cost allocation rules governing nonregulated operations that are not provided through a separate affiliate.



regarding how it is applied to protect, under nondiscriminatory conditions, the CPNI of PSPs, as well as the CPNI of Pactel's existing "semi-public" customers.

Pactel does not explain to what extent it has modified its procedures to ensure equal -- and equally protected -- access by all payphone service providers ("PSPs") to the customer-proprietary network information ("CPNI") of current customers of tariffed semi-public service. For example, Pactel does not indicate how it will ensure that its payphone service personnel, who may have direct access to Pactel's automated service order system (see discussion of service ordering, above) will not also have access to CPNI of PSPs.

Pactel's CPNI plan also leaves ambiguous the manner in which it will handle information relating to current customers of Pactel's tariffed semi-public payphone service. With semi-public service, the payphone location provider subscribes to, and is billed for, a tariffed Pactel service in which Pactel provides a payphone and charges the location provider for the line and usage of the payphone. Thus, the location provider is a true customer of Pactel's tariffed services. The status of semi-public service and its subscribers is scheduled to change on April 15, 1997, because Pactel can no longer provide the semi-public payphone and the associated payphone-calling services as part of its regulated exchange service operations.

Thus, the CPNI associated with semi-public services is clearly CPNI of the location provider customer and may not be used or disclosed by Pactel without the customer's affirmative consent except in the provision of the telecommunications service



from which the information is derived. 47 U.S.C. § 222(c)(1). Since the existing tariffed semi-public service is necessarily being terminated, subsequent to the termination, Pactel's payphone operation has no more right than any other PSP to access and use the semi-public customer's CPNI.

Pactel's treatment of semi-public CPNI has major policy implications. The "flash-cut" deregulation of semi-public service will open up a marketplace opportunity for a large group of customers who are willing to pay to have a payphone located on their premises. Customers of tariffed semi-public service are likely to have little or no awareness of the imminent termination of their tariffed service. Since these customers were obtained by Pactel under anticompetitive, discriminatory conditions in an era of LEC payphone subsidies, there is no legitimate reason why Pactel's payphone operation should be allowed to exploit its telephone company status to gain preferred access to these customers at the expense of competitors.

Customers of semi-public service should be provided full notice, in a neutral fashion, of the changes that are occurring and be offered a meaningful opportunity to make changes in their payphone services without being subject to service change or installation charges. Pactel should be required to disclose how it will notify semi-public customers, in a neutral fashion, of the imminent changes and how it will provide those customers an opportunity to authorize disclosure of CPNI on a nondiscriminatory basis to interested payphone providers, without preference to Pactel's payphone division.



To the extent that Pactel has, subsequent to enactment of Section 222, allowed its payphone operations to access semi-public customers' CPNI for purposes of marketing nonregulated payphone service to existing semi-public customers, Pactel has been in violation of the Act. Pactel should be required to disclose whether such access has occurred. If it has occurred, the Commission must take appropriate remedial measures, including a "fresh look" for any customer that was signed to a contract in violation of Section 222.

#### **VI. OTHER SEMI-PUBLIC SERVICE ISSUES**

There are other questions related to semi-public and semi-public-like service that are not addressed at all in Pactel's CEI Plan. For example, to the extent that Pactel's payphone operation intends to continue offering a semi-public-like payphone service that involves charging location providers for lines and usage on their payphones, Pactel must disclose how such a service will be supported by Pactel's network operations and how charges for the service will be treated on the subscriber's bill. For example, if Pactel makes network functions available to its payphone operation to track the usage of "semi-public-like" service lines, it must make those same tracking services available in the same manner to independent PSPs. If Pactel allows its payphone operations to bill for "semi-public-like" service in the local exchange portion of the subscriber's bill, it must make the same billing treatment available for independent PSPs.<sup>21</sup>

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<sup>21</sup> To the extent that such billing treatment is tariffed or subject to regulation at the state level, it is clearly a service that the Bell companies must provide on a nondiscriminatory basis, even if other nonregulated billing services are not.

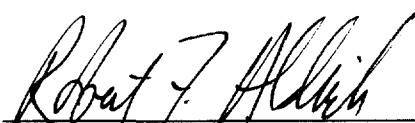


## **CONCLUSION**

Pactel's CEI plan fails to provide sufficient specificity and contains outright violations of CEI requirements and the Payphone Order as detailed above. Therefore, Pactel's CEI plan must be rejected. Pactel must be required to refile or amend its plan in accordance with the foregoing comments. The Commission should require the refiled plan to be served on commenting parties and to be subject to the same comment period, so that parties have an adequate opportunity to review and comment on the new material submitted.

Dated: February 12, 1997

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Robert A. Aldrich", written over a horizontal line.

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**ATTACHMENT**



A5. EXCHANGE SERVICES

- 5.5 PAY TELEPHONE SERVICE - COIN AND COINLESS (Cont'd) (T)  
5.5.3 CUSTOMER OWNED PUBLIC TELEPHONE SERVICE (COPTS) (Cont'd)

B. REGULATIONS (Cont'd)

- h. The Utility will only be responsible to provide service to the network interface demarcation point at the COPTS location.
- i. The network interface will be located within twelve (12) inches of the Utility's protector or building terminal. (C)
- j. Maintenance of service charges as outlined in Tariff P.S.C.N. No. A3.1.3 are applicable to COPTS.
- k. Supersedure with a closing bill as provided in P.S.C.N. No. A3.1.10 is permitted for COPTS. Supersedure without a closing bill is not permitted for COPTS.
- l. The Utility operator will not provide local or message toll rate information on calls originating from COPTS. (L) (D)  
(D)
- m. The Utility operator will not process calls originating from COPTS utilizing any type of credit card except acceptable Utility credit cards. (D)  
(D)
- o. The Utility will not allow third number or collect calls to be charged to a COPTS line. (L)
- p. International Direct Distance Calling (IDDD) is provided on an optional basis in measured service exchanges and where equipment, facilities and operating conditions permit. (N)
- q. COPTS access lines will be charged a multi-line business end user common line charge in accordance with the Federal Communications Commission Order in CC Docket 96-128, In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996 (para. 187), released September 20, 1996.
- r. Calling cards will not be issued for pay telephones. (N)

2. Utility Responsibilities

- a. Prior to accepting a customer's order for COPTS, the Utility will provide the prospective customer with a copy of Tariff P.S.C.N. No. A5.5.3 Customer Owned Public Telephone Service (COPTS) and obtain the customer's written acknowledgment of receipt and disclosure of said tariff.

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A5. EXCHANGE SERVICES

5.5 PAY TELEPHONE SERVICE - COIN AND COINLESS (Cont'd)

5.5.3 CUSTOMER OWNED PUBLIC TELEPHONE SERVICE (COPTS) (Cont'd)

(N)

C. PROVISION OF COPTS SERVICES

1. Basic COPT access line

- a. Basic COPT service is a measured line service designed to work with "smart" payphones. Service is available as two-way (USOC 19Q) and outward only (USOC 18Q). The service includes blocking and screening.
- b. The pay telephone set must provide any and all designed coin features.
- c. Operator services, including card verification and acceptance for intraLATA calls, is available for this service.
- d. The Utility does not provide operator assistance on coin sent paid calls.
- e. International Direct Distance Calling (IDDD) is provided on an optional basis in measured service exchanges where equipment facilities and operating conditions permit.
- f. The customer is responsible for payment of Utility and/or interexchange carrier toll rates for all sent paid toll calls originating from this service.
- g. The customer is responsible for call screening, call blocking, and/or call rating.

2. COPT Charge-a-Call access line

- a. This service is designed for coinless sets, allowing third party, collect, calling card and credit card billing. Service is available as two-way (USOC 2CP) and outward only (USOC DDR).
- b. Utility calling card will be accepted for IntraLata calls by operator services and the automated card verification and acceptance systems.
- c. The COPT customer must make arrangements with an Interexchange Carrier of choice for operator services and charge card acceptance and verification on InterLata calls.
- d. Only 0+ and free access calls are allowed.

(N)



A5. EXCHANGE SERVICES

- 5.5 PAY TELEPHONE SERVICE - COIN AND COINLESS (Cont'd)  
5.5.3 CUSTOMER OWNED PUBLIC TELEPHONE SERVICE (COPTS) (Cont'd)  
C. PROVISION OF COPTS SERVICES (Cont'd)

(N)

3. COPT Coin access line

- a. This access line is a network based line with coin features designed to work with "dumb" pay telephone sets. Where technically feasible and equipment, facilities and operating conditions permit, service is available as measured two-way (USOC 1PK) and measured outward only (USOC 1CE). COPT coin access lines will be flat rated in those exchanges lacking the required equipment, facilities and operating conditions with service available as two-way (USOC 1PC) and outward only (USOC 1CC).
- b. Coin refund is not included with this access line and monies lost in the coin phone as a result of a malfunctioning set are the responsibility of the payphone owner.
- c. International Direct Distance Dialing is unblocked.
- d. The customer's terminating equipment must be suitably equipped in order to utilize COPT Coin Line features.
- e. The Utility shall not be liable for any injury to persons or property resulting from the customer's interconnection of its terminating equipment with the COPT Coin Line. The customer shall defend, indemnify and hold harmless the Utility from and against any and all claims, liabilities, damages or demands arising from or in connection with the customer's interconnection of its terminating equipment with the COPT Coin Line, including but not limited to injury to persons or property.
- f. The demarcation point for the COPT Coin Line will be at the set. The Utility shall install the Standard Network Interface or its equivalent for the connection of the COPT instrument. The SNI will be protected from access by unauthorized persons.

4. Enhanced COPT access line

- a. Enhanced COPT access line service is a measured line service designed to work with "smart" payphones requiring special central office features and equipment, (i.e. Millennium<sup>1</sup> payphones). Service is available as two-way (USOC MLM) and outward only (USOC MLN). See P.S.C.N. A5.5.3.C.1.b. through g. for features.

NOTE 1: Millennium is a registered trademark of Northern Telecom.

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Nevada Bell  
645 East Plumb Lane, Reno, Nevada  
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A5. EXCHANGE SERVICES

5.5 PAY TELEPHONE SERVICE - COIN AND COINLESS (Cont'd)

(T)

5.5.3 CUSTOMER OWNED PUBLIC TELEPHONE SERVICE (COPTS) (Cont'd)

D. RATES AND CHARGES

	Monthly Rate	USOC	
1. Basic COPT access line - incoming and outgoing service	\$21.00	19Q	
2. Basic COPT access line - outgoing service	\$21.00	18Q	(N)
3. COPT charge-a-call access line - incoming and outgoing service	27.50	2CP	
4. COPT charge-a-call access line - outgoing service	27.50	DDR	
5. COPT coin access line - incoming and outgoing service	41.00	1PC	
6. COPT coin access line - incoming and outgoing service - measured rate	31.00	1PK	
7. COPT coin access line - outgoing - flat rate	41.00	1CC	
8. COPT coin access line - outgoing - measured rate	31.00	1CK	
9. Enhanced COPT access line - incoming and outgoing service	32.50	MLM	
10. Enhanced COPT access line - outgoing	32.50	MLN	(N)
	<u>Rate per Message</u>		(L)
COPTS local message charge - each message	\$ .05		(L)

Material formerly on this page has been relocated to Page 61.5.1.

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Issued By  
M. E. King, Jr.  
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**Certificate of Service**

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\*Via Hand-Delivery on February 12, 1997